(b) whether Government would issue an order after amending the act, to make the tenant pay the service tax; and

(c) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Service tax is leviable on renting of immovable property for use in the course or furtherance of business or commerce [section 65(105)(zzzz) of the Finance Act, 1944] *w.e.f.* 01.06.2007. Service Tax is not leviable on buildings used solely for residential purposes. Hence, the question of payment of service tax on house rented to a tenant for residential purposes does not arise.

(b) and (c) Does not arise in view of (a) above.

**Apprehension over Pay Commission Report**

2995. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE be pleased to state whether Government has started negotiation or discussion with Central Government Employees' Associations and Unions to clarify their apprehension in view of the Pay Commission having submitted its report to Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): No, Sir.

**Allowances and benefits for employees of Gramin Banks**

2996. SHRI RAMACHANDRA KHUNTIA: Will the Minsiter of FINANCE be pleased to state:

(a) whether it is a fact that the Gramin Bank Officers and employees are not getting allowance and other benefits at par with Nationalised Banks.

(b) whether there is also ceiling in deduction is of provident fund for Gramin Bank Officers and employees; and

(c) if so, the details thereof and the reasons therefor?

THE MINSITER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The pay Scales, Dearness Allowance, House Rent Allowance and City Compensatory Allowance of the Regional Rural Banks' (RRBs) employees have been revised equal to the corresponding categories of employees of Nationalised Banks *vide* Government of India's letter dated 6.10.2005 to be effective from 1st November, 2002. As regards the other allowances, the individual Sponsor Bank is required to negotiate the same with the RRBs sponsored by them.

(b) and (c) RRBs employees are governed under Employee Provident Fund and Misc. Provisions Act, 1952. As per this Act, RRBs employees and officers contribute 12% of their Pay and Dearness Allowance to Provident Fund with an equal amout of contribution by the Banks upto a ceiling of Pay and Dearness Allowance of Rs. 6500/-.